United Nations TD/B/WP/275

United Nations Conference on Trade and Development

Distr.: General
17 September 2015

Original: English

Trade and Development Board
Working Party on the Strategic Framework and the Programme Budget
Seventy-first session
Geneva, 7–9 September 2015

Report of the Working Party on the Strategic Framework and the Programme Budget on its seventy-first session

Held at the Palais des Nations, Geneva, on 7–9 September 2015

Contents

		Page
I.	Agreed conclusions adopted by the Working Party at its seventy-first session	2
II.	Chair's summary	3
III.	Organizational matters	8
Annexes		
I.	Draft decision for consideration by the Trade and Development Board	9
II.	Provisional agenda for the seventy-second session of the Working Party	11
III.	Attendance	12

GE.15-15756(E)

Please recycle

I. Agreed conclusions adopted by the Working Party at its seventy-first session

A. External evaluation of UNCTAD subprogramme 3: International trade

(Agenda item 4(b))

The Working Party on the Strategic Framework and the Programme Budget,

Having considered the external evaluation of UNCTAD subprogramme 3: International trade as contained in document TD/B/WP/274, the supporting materials for the evaluation as contained in document TD/B/WP(71)/CRP.2 and the management response to the evaluation as contained in document TD/B/WP(71)/CRP.1,

1. *Emphasizes* the importance of the independent evaluation processes in contributing to the implementation of UNCTAD programmes, information sharing and learning, and thanks the secretariat for its undertakings in this regard;

2. *Expresses* its appreciation to the independent evaluation team for the evaluation report, to the secretariat for the support provided to the evaluation process, to the Government of Norway for its financial support of the evaluation and to all member States and organizations who contributed to the process;

3. *Takes note of* the evaluation report, the management response and the presentations made on them during the Working Party and, based on their consideration, *recognizes* the importance of subprogramme 3 and *expresses* its appreciation for UNCTAD's work on international trade led by the Division on International Trade in Goods and Services, and Commodities;

4. *Welcomes* the recommendations contained in the evaluation report and *requests* the Secretary-General of UNCTAD to implement them within UNCTAD's mandate;

5. *Requests* the secretariat to report on the progress made in the implementation of the recommendations at the next session of the Working Party on technical cooperation and evaluation;

6. *Requests* the secretariat to implement the evaluation plan for 2016–2018 as follows:

(a) 2016 (Conference year): No external evaluation to be considered by the Working Party;

(b) 2017: External evaluation of subprogramme 4: Technology and logistics;

(c) 2018: External evaluation of subprogramme 5: Africa, least developed countries and special programmes.

B. Follow-up on evaluations: Progress report on the implementation of recommendations from the external evaluation of UNCTAD subprogramme 2: Investment and enterprise

(Agenda item 4 (c))

The Working Party on the Strategic Framework and the Programme Budget,

Having considered the report on the actions the secretariat has taken in further strengthening subprogramme 2, in accordance with the discussions during the Working Party,

Takes note of and thanks the secretariat for implementing and further strengthening the subprogramme on investment and enterprise, and *encourages* the secretariat to continue its efforts in this regard.

II. Chair's summary

A. Proceedings

1. The seventy-first session of the Working Party on the Strategic Framework and the Programme Budget was held in Geneva, Switzerland, from 7 to 9 September 2015.

B. Opening statements

2. The Deputy Secretary-General of UNCTAD made the opening statement. Statements were then made by the representatives of the following delegations: the Philippines on behalf of the Group of 77 and China; Argentina on behalf of the Group of Latin American and Caribbean Countries; the United Republic of Tanzania on behalf of the African Group; the Philippines on behalf of the Asian Group and China; the European Union on behalf of the European Union and its member States; Benin on behalf of the least developed countries; Canada on behalf of the JUSSCANNZ group; Paraguay on behalf of the landlocked least developed countries; Barbados on behalf of the small island developing States; Morocco; Cambodia; China; the United Kingdom of Great Britain and Northern Ireland; the United Republic of Tanzania; and Egypt.

3. The Deputy Secretary-General of UNCTAD introduced UNCTAD technical cooperation activities in 2014 and highlighted three aspects, namely the funding of technical cooperation, allocation of technical cooperation resources and functioning of technical cooperation. In addition, he presented a new product on technical cooperation, the *UNCTAD Toolbox: Delivering Results*, and addressed the external evaluations of UNCTAD subprogrammes.

4. With regard to the funding of UNCTAD technical cooperation activities, the Deputy Secretary-General noted that in 2014, UNCTAD trust funds had reached $39.4 million, with an increase of 26 per cent compared to 2013 resulting from financial support from both developed and developing countries. However, he stressed that such an increase was far from enough to cover the more than 800 requests for technical assistance (most of which were at the ministerial level) received by UNCTAD on a yearly basis. He noted that the estimated funding gap amounted to $32 million. He underlined that in the context of the post-2015 development agenda, to which UNCTAD could contribute significantly, the number of requests addressed to UNCTAD would likely increase. Enhanced resource mobilization would be crucial to transform ambitions into concrete actions, and the Deputy Secretary-General therefore requested that member States support UNCTAD in its resource mobilization efforts and make the organization more effective through concrete donor support.

5. With regard to the allocation of UNCTAD technical cooperation resources, overall expenditures on technical cooperation projects had reached $38.8 million in 2014, corresponding to the average expenditure over the previous five years. Of these expenditures, 59 per cent were attributed to projects under the Automated System for

Customs Data (ASYCUDA) and Debt Management and Financial Analysis System (DMFAS), the two largest UNCTAD technical cooperation programmes. The Deputy Secretary-General requested that member States support UNCTAD in its efforts to provide beneficiaries with diversified products through support to multi-year and non-earmarked trust funds.

6. Finally, with regard to the functioning of UNCTAD technical cooperation, the Deputy Secretary-General highlighted the existing synergies between the three pillars of UNCTAD's work, as well as efforts undertaken in relation to results-based management. He emphasized the leading role played by UNCTAD in the United Nations Inter-Agency Cluster on Trade and Productive Capacity. Since its official launch in 2008, the cluster had effectively enhanced inter-agency coordination and strengthened the role of trade and productive capacities in the integrated cooperation delivered by the United Nations. He noted the possible establishment of a multi-donor trust fund on trade and productive capacity to enable countries to transform their economies, create jobs and harness trade for sustainable development. In view of the post-2015 development agenda, the Deputy Secretary-General strongly encouraged member States to support this fund.

7. The *UNCTAD Toolbox: Delivering Results* would provide member States and donors with a comprehensive overview of UNCTAD's main products. This product was expected to be of great use during the fourteenth session of the United Nations Conference on Trade and Development, to be held in Lima from 14 to 18 March 2016, when the mandate of UNCTAD would be renewed to meet the challenges of the post-2015 development agenda and related sustainable development goals.

8. With regard to external evaluations of UNCTAD activities, the Deputy Secretary-General emphasized that development policies and programmes should be informed by evidence generated by credible monitoring and evaluation systems. He underscored the challenge in promoting the rigorous evaluation of key programmes and incorporating lessons from such evaluations into policy, especially as 2015 was the International Year of Evaluation.

9. The Deputy Secretary-General noted that the Working Party would consider the evaluations of UNCTAD programmes and projects that had been completed between 2014 and 2015. He thanked the evaluation team for its report on the evaluation of UNCTAD subprogramme 3: International trade, and expressed his gratitude to the Government of Norway for its support in enabling the conduct of such evaluations. He noted the achievements that had been made through the work on trade, as identified in the report, while emphasizing the need to do more and achieve better results. Finally, he looked forward to constructive discussions during the Working Party on the actions to be taken to strengthen the subprogramme's performance.

10. In the statements made by delegations, all representatives stressed the importance of technical cooperation as an essential pillar of the work of UNCTAD and of ensuring synergies between technical cooperation and the other two pillars, as well as the necessity to enhance both the role of UNCTAD technical cooperation and the role of UNCTAD in helping developing countries achieve sustainable development goals.

11. All delegations recognized UNCTAD's capacity to provide support in achieving the objectives of the post-2015 development agenda. In this regard, many delegations stressed the added value of UNCTAD within the United Nations system.

12. The majority of delegations expressed concern about the gap between the supply and demand of UNCTAD technical cooperation and called on donors to fulfil their international commitments to development assistance and increase their contributions to UNCTAD trust funds, in order that UNCTAD might adequately respond to the rising number of requests for technical assistance.

13. Many delegations expressed appreciation for the contributions and efforts made by UNCTAD in supporting least developed countries, landlocked least developed countries, small island developing States and other vulnerable countries in enhancing their trade and trade-related capacities, and called on development partners to provide adequate, sustainable and predictable funds to support UNCTAD technical cooperation activities, including greater contributions to the Trust Fund for Least Developed Countries.

14. The representative of one regional group expressed concern about the declining share of countries in Latin America and the Caribbean in the allocation of UNCTAD technical cooperation resources and called for a more balanced geographic distribution of resources by UNCTAD.

15. Some delegations expressed their willingness to work with other member States and regional groups to advance on consultations on the UNCTAD fundraising strategy for technical cooperation activities.

16. The majority of delegations highlighted the need for UNCTAD to focus on relevant products and to propose diversified technical assistance packages with recognized expertise and added value within the United Nations system. In this context, some delegations called for greater inter-agency collaboration with relevant organizations.

17. In addition, the majority of delegations commended UNCTAD's leading role in the United Nations Inter-Agency Cluster on Trade and Productive Capacity, as it effectively enhanced inter-agency coordination and strengthened the role of trade and productive capacities in the integrated cooperation delivered by the United Nations system.

18. Some delegations underlined that UNCTAD, due to its role within the cluster, was ready to support member States with a coherent and coordinated approach to achieving the objectives of the post-2015 development agenda and related sustainable development goals.

19. The majority of delegations expressed support for strengthening the use of results-based management practices. In this regard, two delegates suggested disseminating and applying across UNCTAD the best practices on results-based management of subprogramme 2: Investment and enterprise. One delegate highlighted the need to have concrete monitoring and follow-up mechanisms to make results-based management more effective.

20. In addition, the majority of delegations highlighted the need for UNCTAD to broaden the donor base and to explore new approaches to meet donor considerations and country priorities. Delegations underscored that the concepts of driven-by-demand, transparency, efficiency and predictability should be the guiding principles for such approaches.

21. Many delegations noted the relevance of non-earmarked trust funds and the importance of predictable multi-year funding in order to allow for the sustainable delivery of activities.

22. Finally, some delegations welcomed the establishment of a multi-donor trust fund on trade and productive capacity with the aim of scaling up the efficiency and impact of technical cooperation delivered by the cluster at the national and regional levels.

23. The Deputy Secretary-General addressed a number of points in the statements made by delegations. He expressed the gratitude of UNCTAD for the strong support from member States for UNCTAD technical assistance, and stressed the importance of such support for UNCTAD to fulfil its mandate and effectively address the upcoming sustainable development goals. In addition, he underlined that the demand for technical assistance remained far greater than the supply capacity. While a significant number of requests for technical assistance could not be answered due to lack of financial support from member

States. UNCTAD was, for the first time, providing States with the exact financial figures of amounts needed to effectively meet the demand. The Deputy Secretary-General emphasized the role of member States in this regard and requested further support, notably through extra-budgetary resources. With regard to supply, he highlighted the UNCTAD Toolbox as a means to facilitate communications on technical cooperation and for member States to fund UNCTAD products according to their respective areas of interest. Concerning comparative advantages, the Deputy Secretary-General noted that UNCTAD worked effectively with other United Nations agencies in adding value in their respective areas of expertise on a number of cross-cutting issues, such as gender empowerment and employment. UNCTAD was committed to following up on the recommendation regarding gender mainstreaming that had emerged from the recent review by the Office of Internal Oversight Services of UNCTAD's research and analysis pillar of work. In particular, UNCTAD would be mainstreaming gender issues into its flagships, an important step in addressing its development mandate. From the perspective of managing for results, the secretariat was seeking to streamline the 17 thematic clusters of trust funds to around seven thematic areas, while ensuring their transparency and predictability. The Deputy Secretary-General urged the support of member States in this regard. With regard to effective collaboration within the United Nations system, the Deputy Secretary-General emphasized that through the United Nations Inter-Agency Cluster on Trade and Productive Capacity member States could effectively request coherent and coordinated assistance on trade and trade-related issues, for greater efficiency and impact at the country level. The cluster was thus a way to effectively manage resources. In this regard, the Deputy Secretary-General requested member States to support the establishment of the multi-donor trust fund. Finally, he invited member States to regularly consult each other on the above issues to effectively help UNCTAD to meet the demand for technical assistance.

24. Regarding the agenda item on evaluation, the representative of one regional group and one delegate welcomed the section on lessons learned in the secretariat's overview of the evaluation of UNCTAD activities.[1] The delegate concurred with the lesson learned on the need to have an explicit and clear theory of change in project design, and to facilitate measurement and progress towards long-term goals. The representative of the regional group stressed that activities to implement an explicit and clear theory of change fostered an organizational culture of learning, transparency, accountability, and should be applied throughout UNCTAD's activities and programmes, and encouraged UNCTAD to collaborate with the International Trade Centre on such matters. Finally, while commending the secretariat's overview of lessons learned from evaluations, the representative of one regional group requested that lessons learned also be examined in the area of programme monitoring.

25. Many delegations expressed appreciation to the evaluation team for the external evaluation on subprogramme 3. Two delegates noted satisfaction with the evaluation's findings concerning the relevance of the subprogramme and its responsiveness in addressing the needs of stakeholders.

26. Two delegates concurred with the first recommendation in the evaluation report that UNCTAD should respond to sustainable development goals and improve resource allocation efficiency and interdisciplinary synergies.

27. The representative of one regional group and one delegate welcomed the fourth recommendation in the evaluation report on mainstreaming gender into UNCTAD's work programme. One delegate concurred with the finding that the work of the Trade, Gender and Development Section was an example of best practice in addressing cross-cutting issues. The delegate suggested that the Section should be strengthened, in order to further

[1] TD/B/WP/272

the goals of the gender programme. While reaffirming the importance of mainstreaming gender into UNCTAD's work programme, another delegate emphasized that the focus of UNCTAD support should continue to be supporting developing countries in trade and development issues.

28. The representative of two regional groups noted in particular the ninth recommendation in the evaluation report on communications. The representative of one regional group encouraged UNCTAD to elaborate a communications strategy to effectively convey messages concerning gender, the UNCTAD term "Biotrade" and sustainable development goals. The representative of the other regional group underscored the importance of ensuring that UNCTAD and its divisions communicated their comparative advantages and demonstrated how the organization would effectively contribute to the successful implementation of the post-2015 development agenda.

29. The representative of one regional group noted in particular the twelfth recommendation in the evaluation report on results-based management best practices.

30. In addition, the representative of another regional group commended the work of the subprogramme and noted with appreciation its work on services policy reviews, national green export reviews, sustainable development, trade and the environment, which had benefited small island developing States. One delegate highlighted that the role of the subprogramme in inspiring policy changes and reviewing services and competition policies were excellent examples of how UNCTAD could deliver real benefits for developing countries. The representative of one regional group commended the work of UNCTAD under the three pillars and welcomed UNCTAD's efforts to strengthen such achievements.

31. With regard to the follow-up on recommendations from the external evaluation of subprogramme 2, the representative of one regional group appreciated the critical role of UNCTAD's work in the subprogramme, particularly the *World Investment Report*.

32. On the overall role played by evaluations, the representative of one regional group underscored that evaluations contributed to knowledge sharing and accountability and highlighted areas where programme effectiveness could be improved, helping to make better use of funds that were already under severe pressure.

C. Informal meetings

33. The Working Party pursued its deliberations in an informal setting.

D. Action by the Working Party

1. Draft decision for consideration by the Trade and Development Board: Review of the technical cooperation activities of UNCTAD and their financing

(Agenda item 3)

34. The Working Party agreed upon a draft decision on the review of the technical cooperation activities of UNCTAD and their financing, which would be presented to the sixty-second session of the Trade and Development Board to be held from 14 to 25 September 2015 (see annex I).

2. Agreed conclusions

(Agenda items 4 (b) and 4 (c))

35. The Working Party prepared agreed conclusions on the external evaluation of UNCTAD subprogramme 3: International trade (agenda item 4(b)) and on the follow-up on

evaluations: Progress report on the implementation of recommendations from the external evaluation of UNCTAD subprogramme 2: Investment and enterprise (agenda item 4 (c)).

III. Organizational matters

A. Election of officers

(Agenda item 1)

36. At the opening plenary meeting, on 7 September 2015, the Working Party elected Mr. Alfredo Suescum (Panama) as its Chair. The Working Party subsequently elected Mr. Thomas Fohgrub (Germany) as its Vice-Chair-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

37. At the same meeting, the Working Party adopted its provisional agenda (TD/B/WP/271). The agenda was thus as follows:

1. Election of officers.

2. Adoption of the agenda and organization of work.

3. Review of the technical cooperation activities of UNCTAD and their financing.

4. Evaluation of UNCTAD activities:

   (a) Evaluation of UNCTAD activities: Overview;

   (b) External evaluation of UNCTAD subprogramme 3: International trade;

   (c) Follow-up on evaluations: Progress report on the implementation of recommendations from the external evaluation of UNCTAD subprogramme 2: Investment and enterprise.

5. Provisional agenda for the seventy-second session of the Working Party.

6. Other business.

7. Adoption of the report of the Working Party to the Trade and Development Board.

C. Provisional agenda for the seventy-second session of the Working Party

(Agenda item 5)

38. At its closing plenary meeting, on 9 September 2015, the Working Party approved the provisional agenda for its seventy-second session (see annex II).

D. Adoption of the report of the Working Party to the Trade and Development Board

(Agenda item 7)

39. At the same meeting, the Working Party authorized the Rapporteur to finalize the report on its seventy-first session.

Annex I

Draft decision for consideration by the Trade and Development Board

Review of the technical cooperation activities of UNCTAD and their financing

(Agenda item 3)

The Trade and Development Board

1. *Reaffirms* the role of UNCTAD technical cooperation as a fundamental pillar of the organization and stresses the importance of coordination among the three pillars for better coherence and impact when providing technical assistance;

2. *Takes note of* the report by the Secretary-General of UNCTAD on the review of the technical cooperation activities of UNCTAD and their financing;

3. *Recognizes* UNCTAD's assistance and requests the secretariat to continue ensuring that technical cooperation activities are in line with the Accra Accord and the Doha Mandate, and oriented towards addressing the post-2015 development agenda, which includes sustainable development goals, in coordination with other international organizations when appropriate;

4. *Appreciates* the quality of technical cooperation activities carried out by the secretariat in cooperation with the beneficiaries, development partners and other international organizations and takes note that the funds received from both developed and developing countries in 2014 increased compared to previous years;

5. *Also appreciates* the tools provided by UNCTAD, such as the list of requests received from member States on technical assistance and the UNCTAD Toolbox, which provides member States and donors with a comprehensive overview of UNCTAD's main products;

6. *Reaffirms* the importance of results-based management in the delivery of effective technical assistance, in line with United Nations guidelines, and welcomes the secretariat's ongoing efforts in this regard;

7. *Takes note* of the rising level of demand for technical assistance from developing countries, which is not fully matched by current funding levels, and calls on developed countries and other development partners in a position to do so to make multi-year contributions to UNCTAD technical cooperation trust funds – such as the Trust Fund for Least Developed Countries – in order to work towards achieving adequate and predictable funding for effective planning and implementation of UNCTAD technical assistance programmes, underlines the relevance of non-earmarked trust funds, and requests the secretariat to explore innovative ways to broaden the donor base;

8. *Encourages* the secretariat to ensure, where possible, a balanced regional distribution of technical cooperation based on demand, taking into consideration the needs of Africa, least developed countries, landlocked least developed countries and small island developing States and, in this regard, invites UNCTAD to mainstream the technical cooperation aspects of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 and the Small Island Developing States Accelerated Modalities of Action Pathway, as agreed at the related United Nations conferences;

9. *Welcomes* UNCTAD's leading role in the United Nations Inter-Agency Cluster on Trade and Productive Capacity and encourages a more in-depth inter-agency collaboration with cluster agencies for more coherence, effectiveness and impact at the national and regional levels in the context of "Delivering as one", taking into account the development dimension;

10. *Encourages* UNCTAD to further access existing funding through One United Nations funds;

11. *Calls on* the member States to continue informal consultations to agree on a set of common goals and principles for the fundraising strategy, including the establishment of a multi-donor trust fund on trade and productive capacity to effectively scale up the efficiency and impact of technical cooperation delivered by the United Nations Inter-Agency Cluster on Trade and Productive Capacity at the national and regional levels.

Annex II

Provisional agenda for the seventy-second session of the Working Party

1. Election of officers.

2. Adoption of the agenda and organization of work.

3. Review of the proposed UNCTAD Biennial Programme Plan for the period 2018–2019.

4. Provisional agenda for the seventy-third session of the Working Party.

5. Other business.

6. Adoption of the report of the Working Party to the Trade and Development Board.

Annex III

Attendance[2]

1. Representatives of the following States members of the Working Party attended the session:

Austria	Guatemala
Azerbaijan	Italy
Chile	Panama
China	Russian Federation
Finland	Switzerland
Germany	United States of America

2. Representatives of the following States members of UNCTAD but not members of the Working Party attended the session:

Bahrain	Luxembourg
Benin	Mexico
Brazil	Namibia
Cambodia	Nigeria
Canada	Pakistan
Côte d'Ivoire	Philippines
Cuba	Portugal
Dominican Republic	Qatar
Ecuador	Saudi Arabia
Egypt	South Africa
Estonia	Spain
Ethiopia	Sudan
France	Togo
Greece	Tunisia
Iran (Islamic Republic of)	United Republic of Tanzania
Japan	Venezuela (Bolivarian Republic of)
Jordan	Yemen
Kenya	

3. The following intergovernmental organization was represented at the session:

European Union

South Centre

4. The following non-governmental organization (general category) was represented at the session:

Village Suisse ONG

---

[2] This attendance list contains registered participants. For the list of participants, see TD/B/WP(71)/INF.1.